

Testimony before the U.S. House of Representatives

House Committee on the Judiciary

By

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August 17th, 2006

Thank you Chairman Sensenbrenner, Ranking Member Conyers, and Distinguished Members of the Committee for the invitation to appear before you today to speak about the financial impact of illegal immigration on border communities, and several of the immigration enforcement related provisions in H.R. 4437 and S. 2611 that may be of special interest to border and local law enforcement communities. I am Alison Siskin, a Specialist in Immigration Policy at the Congressional Research Service. My testimony today will focus on a discussion of the issues surrounding studies that have attempted to estimate the cost of unauthorized immigration, focusing on the findings in a study related to border communities, and on selected enforcement-related provisions in H.R. 4437, The Border Protection, Antiterrorism, and Illegal Immigration Control Act of 2005, as passed by the House of Representatives on December 16 2005, and S. 2611, The Comprehensive Immigration Reform Act of 2006, as passed by the Senate on May 25, 2006.

As the committee is well aware, it is very difficult to enumerate a population which is trying to avoid detection by the government. A major issue with cost estimates of the unauthorized population is the lack of reliable data on the number and distribution of unauthorized aliens. As a result, attempts to quantify the costs and benefits of the unauthorized population are hindered by the simple fact that there is not an agreement on the number of unauthorized aliens residing in the United States. Furthermore, the data required to produce reliable estimates on the costs and benefits of unauthorized immigration would have to include not only an accurate count of the number of unauthorized aliens complete with socioeconomic characteristics, but also reliable information on

the actual use of all relevant services including the actual cost of providing the services, and on the actual revenue generated by the unauthorized aliens. Since these data elements do not exist, many studies make assumptions about the number of unauthorized aliens, their service usage, and their revenue contributions.

Nonetheless, there have been studies using different methodologies which have attempted to quantify the costs of unauthorized migration. I would like to submit for the record a CRS memorandum discussing the findings of several studies, but I would like to discuss one study which seems the most relevant to this hearing. In 2001, the United States/Mexico Border Counties Coalition released a study entitled *Illegal Immigrants in U.S./Mexico Border Counties: Cost of Law Enforcement, Criminal Justice, and Emergency Medical Services*. The United States/Mexico Border Counties Coalition had received a grant from the Department of Justice (DOJ) to measure the costs to the general funds of all 24 border counties for providing law enforcement, criminal justice, and emergency medical services to unauthorized aliens for FY1999. Four university researchers collected data by conducting site visits, interviewing governing board members, department heads, judicial officials, division heads, county managers, and information management specialists. The border patrol and state agencies were also consulted. Since many of the services discussed in the study were provided to noncitizens without ascertaining immigration status, the accuracy of the data is unknown. The study also used data from the decennial census, the Current Population Survey, border crossing data from the former Immigration and Naturalization Service (INS), Border Patrol apprehension data, newspaper accounts, public documents, congressional hearings, and previous research. Importantly, this study only calculated the costs of unauthorized aliens to these communities, and did not include estimates of taxes or other revenues gained from unauthorized aliens.

The study found that overall Texas border communities spent \$23.3 million, New Mexico spent \$5 million, Arizona spent \$24.2 million, and California spent \$55.7 million providing law enforcement, criminal justice, and emergency medical services to unauthorized aliens in FY1999. Specifically, the study found that for law enforcement and criminal justice costs the border communities of Texas spent \$21.5 million, New Mexico spent \$4 million, Arizona spent \$19.2 million, and California spent \$43.6 million. Of the amount that was estimated to have been spent by Texas border communities on law enforcement and criminal justice services to unauthorized aliens, \$12.9 million was spent by Texas sheriffs, and it was estimated that unauthorized aliens costs the El Paso Sheriffs Department \$4.5 million. Nonetheless, as discussed above, the report did not

address the amount of taxes paid by unauthorized aliens in the border communities to the government, which may offset some of the reported costs.

Both H.R. 4437 and S. 2611 have provisions aimed at addressing the cost of unauthorized aliens on state and local law enforcement. For example, H.R. 4437 would create a grant program for states and political subdivisions of states to procure equipment, technology, facilities, and other products that facilitate or are directly related to the investigation, apprehension, arrest, detention, or transportation of immigration law violators. To be eligible for these grants, the state or political subdivision would be required to have the authority, and have in effect a policy and practice of assisting in the enforcement of immigration laws during the course of the agency's routine law enforcement duties.

In addition, H.R. 4437 would require the Attorney General (AG) to reimburse or provide an advance to designated county sheriffs within 25 miles of the southern border for costs associated with the transfer of unlawfully present aliens to federal custody. Specifically, sheriffs would be reimbursed for detaining, housing, and transporting unauthorized aliens, and could use a portion of funds to construct, maintain, and operate detention facilities. Funds could also be used for personnel and training such personnel. Under the bill, aliens taken into custody by a sheriff would be deemed to be federal prisoners and in federal custody upon determination by federal law enforcement officials that such alien is unlawfully present in the United States. The House bill would also require DHS to reimburse property owners for the costs incurred repairing private infrastructure that is constructed "on a U.S. government right-of-way delineating the international land border" that is damaged by aliens attempting to illegally enter the country.

S. 2611 would create a grant program to provide reimbursement to states and units of local government for costs associated with processing illegal aliens through the criminal justice system. These costs could include indigent defense; criminal prosecution; autopsies; translators and interpreters; and court costs. In addition, S. 2611 would create a competitive grant program for "eligible" law enforcement agencies to address criminal activity that occurs near the border and the impact of any lack of security along the border. These grants could be used to provide additional resources to address criminal activity occurring along the border, including: (1) obtaining equipment; (2) hiring additional personnel; (3) upgrading and maintaining law enforcement technology; and (4) covering operational costs. The "eligible" law enforcement agencies would include any tribal, state, or local law enforcement agency located in a county no more than 100 miles

from the northern or southern border, or located in a county more than 100 miles from the border, but where such county has been certified as a “High Impact Area” by the Secretary of DHS. Priority would be given to “eligible” law enforcement agencies serving communities with populations of less than 50,000 and located within 100 miles of the northern or southern border. S. 2611 would also create a grant program for Indian tribes with lands adjacent to the international border who have been adversely affected by unauthorized immigration to help pay for law enforcement activities, health care services, environmental restoration, and preservation of cultural resources. In addition, S. 2611 would direct the Attorney General to reimburse Southwest border state and county prosecutors for prosecuting federally initiated and referred drug cases.

Moreover, both bills have provisions related to the State Criminal Alien Assistance Program (SCAAP). SCAAP is a formula grant program that provides financial assistance to states and localities for correctional officer salary costs incurred for incarcerating "undocumented criminal aliens." Currently, SCAAP funds do not cover all of the costs for incarcerating noncitizens. In 2006, Congress reauthorized SCAAP through FY2011. Between FY1997 and FY2005, a total of approximately \$4.1 billion has been distributed to states in SCAAP funding. H.R. 4437 would permanently authorize SCAAP but prohibit the states or political subdivisions that have in effect a statute, policy, or practice that prohibits law enforcement officers of the state or political subdivision from assisting or cooperating with federal immigration officials in the course of carrying out the officers' routine duties from receiving funds. S. 2611 would extend the current program through FY2012.

In addition to the costs of unauthorized immigration borne by state and local governments, another issue is the interaction between the Department of Homeland Security's Immigration and Customs Enforcement (ICE) and local law enforcement in relation to the ability and willingness of ICE to take unauthorized or removable aliens into custody when they are encountered by state or local law enforcement or at the conclusion of their criminal sentences. When local law enforcement encounters an alien during their routine duties, they can contact the ICE's Law Enforcement Support Center (LESC) to confirm whether the person is a removable or unauthorized alien. Whether ICE will take the alien into custody often depends on the workload of the special agent, the distance to the jail, and the available detention space. In 2002, there were an estimated 9.3 million unauthorized aliens in the United States and 1,944 INS special agents, or approximately 4,784 unauthorized aliens per one INS special agent. In FY2005, ICE had 5,769 special agents. However, since agents from the former INS and the former U.S. Customs Service were combined into ICE, it is unknown

what percentage of time ICE special agents spend on immigration enforcement functions compared to tasks of the former U.S. Customs Service. As a result, it is not clear if and to what extent the number of agents devoted to immigration enforcement has increased since the creation of DHS.

Even if ICE had the capability to take custody of all removable aliens that come into contact with state and local law enforcement, limited bedspace prevents them from detaining many unauthorized aliens. Between FY2002 and FY2005, the daily detention population exceeded the amount of funded bedspace. In June 2005, 87% of detention bed space was filled with mandatory detainees, making bed space scarce and increasing the need for both good management of detention space, and alternative forms of detention. The funded bedspace for FY2006 is 20,800 and the average daily detention population as of January 30 2006, was 20,594. A lack of bedspace can lead to an increase in the number of apprehended aliens who must be released into the community, and aliens who are not detained are less likely to appear for their removal proceedings and to leave the country if they are ordered removed. For example, in FY2005, 60% of nondetained aliens failed to appear for their removal hearing. Moreover, only 18% of aliens released into the community who subsequently receive final removal orders leave the United States. To counteract the high percentage of nondetained aliens who fail to leave the United States, DHS has a pilot program which began in Hartford, Connecticut, and was expanded to Atlanta and Denver in March 2004, that immediately detains all aliens subject to final orders of removal, so that ICE can ensure that the aliens depart from the United States. Under this program, 94% of detained aliens have been deported.

These issues have given rise to a debate on the extent to which state and local law enforcement can and should enforce immigration law. Both bills would mandate that additional information related to immigration violations be included in the National Crime Information Center System (NCIC) allowing for law enforcement to have information on the immigration status of certain aliens without contacting the LESC, as most law enforcement officers have instant access to NCIC. Currently, NCIC's immigration violators file includes information on: (1) persons previously convicted of a felony and deported; (2) persons allegedly subject to a final order of deportation, exclusion, or removal ("absconders") but who remain in the country; and (3) persons allegedly in violation of the National Security Entry-Exit Registration System (NSEERS). H.R. 4437 would mandate the inclusion of information on all aliens who: (1) were issued final orders of removal; (2) have signed voluntary departure agreements; (3) overstayed their authorized period of stay; and (4) whose visas have been revoked. Under the House bill, the information would be entered into

NCIC's Immigration Violators File regardless of whether the alien received the notice of a final order of removal, had already been removed, or if sufficient identifying information is available.

Similarly, S. 2611 would mandate that any information on all aliens who: (1) were issued final orders of removal; (2) have signed voluntary departure agreements and whose period for departure has expired or who has violated the conditions of the agreement; (3) whom federal immigration official have confirmed to be unlawfully present; and (4) whose visas have been revoked be entered into NCIC. The Senate bill would direct the head of the NCIC to promptly remove any information related to an alien granted lawful authority to enter or remain in the United States, and would direct the Secretary of DHS, in consultation with the head of the NCIC, to develop and implement a procedure for aliens to petition to remove erroneous information, and would prohibit entering such information into NCIC until these procedures are implemented.

State and local law enforcement officers also come into contact with criminal aliens in the course of their normal duties. Criminal aliens are aliens who have committed crimes that make them removable. The aliens may have been legally or illegally present. Some are incarcerated in federal, state, or local facilities, while others are in communities across the United States, because they have already served their criminal sentences. The potential pool of removable criminal aliens is in the hundreds of thousands, but the exact number is unknown. According to DOJ, at midyear 2004, 91,789 noncitizens were in federal and state prisons; 34,422 in federal prisons, and 57,367 in state prisons. It can be assumed that most of these noncitizens are removable.

DHS' Criminal Alien Program is directed at identifying criminal aliens in federal, state, and local prisons, and assuring that these aliens are taken into ICE custody at the completion of their criminal sentences. Although federal prisons have a system to notify ICE when there is an alien in custody, notification from state and local prisons and jails is not systematic, and many criminal aliens are released after their criminal sentences are completed rather than taken into ICE custody, making it more difficult to locate the aliens for deportation and raising the concern that the released aliens will commit new crimes. Like ICE, INS had historically failed to identify all removable imprisoned aliens.

In an effort to help streamline the removal of criminal aliens, §238(a) of the Immigration and Nationality Act (INA) allows for removal proceedings to be conducted at federal, state, and local prisons for aliens convicted of crimes. This program as instituted is known as the Institutional

Removal Program (IRP) and is part of DHS' Criminal Alien Program. Under the IRP, removal proceedings are held while the alien is incarcerated. As a result, the alien can be removed in a shorter period of time which is more cost effective for the U.S. government. Notably, under the INA aliens must complete their criminal sentences before they can be removed from the United States. The former INS developed a nationwide automated tracking system for the federal Bureau of Prisons (BOP) and deployed them to IRP sites. The system covers foreign born inmates incarcerated under the federal system and tracks the hearing status of each inmate. Currently the IRP is operational at 30 sites, of which 11 are in Texas.

H.R. 4437 would mandate that the IRP be extended to all states, while S. 2611 directs DHS to continue to operate the IRP or another similar program. Both bills would also mandate the enhanced use of technology including increasing mobile access to federal databases for state and local law enforcement officials in remote locations so that the IRP can be expanded to remote locations. Both H.R. 4437 and S. 2611 would also authorize state and local law enforcement to hold an illegal alien for up to 14 days after the alien completes his state prison sentence to effectuate the transfer of the alien to federal custody for removal. Similarly, the bills would allow state and local law enforcement to issue detainers that would allow aliens who served prison sentences to be detained until ICE personnel can take the aliens into custody.

In sum, although it is difficult to quantify the impact, both positive and negative, of unauthorized aliens to the United States, it is clear that there is an impact to border communities, and several of the provisions in both H.R. 4437 and S. 2611 would attempt to address that impact. In addition, as discussed, unauthorized aliens encountered by local law enforcement are often not transferred to ICE custody for a variety of reasons. The House and the Senate bills propose provisions aimed at this issue. Thank you once again for your invitation to be here today, and I am at your disposal for any questions you may have.

Side-by-Side Comparison of the Provisions Discussed

Current Law	House-passed H.R. 4437	Senate-passed S.2611	Commentary
Grants to Local Law Enforcement			
No similar provisions.	Would require the Secretary of DHS to create a grant program administered to states and political subdivisions of states for the procurement of equipment, technology, facilities, and other products that facilitate or are directly related to investigating, apprehending, arresting, detaining, or transporting immigration law violators, including any administrative costs under the Act. (§222(a))	No similar provisions, but §229(a) would provide related funding.	States or political subdivisions that have in effect a statute, policy, or practice that prohibits law enforcement officers of the state from assisting or cooperating with federal immigration officials are generally termed “sanctuary” states or cities. Most cities that are considered sanctuary cities have adopted a “don’t ask-don’t tell” policy where they don’t require their employees, including law enforcement officers, to report to federal officials aliens who may be illegally present in the country. Section 222(b) of H.R. 4437 would seem to prohibit states or political subdivisions with “sanctuary policies” in effect from receiving funds under the section.
No similar provisions.	To be eligible for the above grants, the state or political subdivision would be required to have the authority, and have in effect a policy and practice of assisting in the enforcement of immigration laws in the course of the agency’s routine law	No similar provisions.	The Attorney General (AG) may enter into a written agreement with a state or political subdivision of the state so that an officer or employee of the state or political subdivision may perform a function of an immigration officer related to the

Current Law	House-passed H.R. 4437	Senate-passed S.2611	Commentary
	enforcement duties. Would appropriate \$250 million each year for the grants. (§222(b))		investigation, apprehension, and detention of aliens in the United States. (INA §287(g))
No similar provisions.	No similar provisions.	Would require the Secretary of DHS to reimburse states and units of local government for costs associated with processing illegal aliens through the criminal justice system. Reimbursable costs would include: indigent defense; criminal prosecution; autopsies; translators and interpreters; and court costs. Would authorize \$400 million for each year, FY2007 through FY2012 for this program. (§218(a)-(b)(1))	
The AG shall reimburse a state for the costs incurred for the imprisonment of any illegal alien or Cuban national who is convicted of a felony. (§501 of the Immigration Reform and Control Act of 1986 (IRCA), P.L. 99-603) The Homeland Security Act of 2002 (P.L. 107-296) transferred the primary responsibility for enforcing and administering immigration law from AG to the Secretary of DHS. (INA §103(a)(1))	Current law.	Would transfer authority for this program from the Attorney General (AG) to the Secretary of DHS. (§218(c))	
No similar provisions.	Would require the AG to reimburse or provide an advance for costs to designated county sheriffs within 25 miles of the	No similar provisions.	

Current Law	House-passed H.R. 4437	Senate-passed S.2611	Commentary
	<p>southern international U.S. border for costs associated with the transfer of unlawfully present aliens to federal custody. Would prohibit payment for costs incurred prior to enactment. Specifically, sheriffs would be reimbursed for detaining, housing, and transporting aliens who are not lawfully present in the United States or who have unlawfully entered the United States, and are allowed to use 20% of the funds received for the construction, maintenance, and operation of detention facilities. Reimbursement or pre-payment are to be made within 60-days from a separate account in the Treasury entitled the “Designated County Law Enforcement Account.” Aliens taken into custody by a sheriff would be deemed to be federal prisoners and in federal custody. (§607)</p>		
No similar provisions.	<p>Would require designated sheriffs within 25 miles of the southern international U.S. border to be reimbursed or provided an advance for costs associated with the transfer of aliens detained or in the custody of a sheriff. Specifically, sheriffs would be reimbursed for detaining, housing, and transporting aliens who are not lawfully present in the United States or who have</p>	No similar provisions.	<p>The county jails that sheriffs oversee may also be eligible for funding under INA 241(i) (SCAAP).</p>

Current Law	House-passed H.R. 4437	Senate-passed S.2611	Commentary
	unlawfully entered the United States. (§607(b))		
No similar provisions.	Would require reimbursement or pre-payment to be made within 60-days from a separate account in the Treasury entitled the “Designated County Law Enforcement Account.” (§607(c))	No similar provisions.	
No similar provisions.	Would authorize up to \$100 million per year for the “Designated County Law Enforcement Account.” (§607(d))	No similar provisions.	
No similar provisions.	<p>Would authorize the funds provided under §607(b) to be used for the costs of personnel, costs of training such personnel, equipment, and the construction, maintenance, and operation of detention facilities. Would allow only 20% of the funds received to be used for the construction, maintenance, and operation of detention facilities. To be eligible for payment, the sheriff making an application for payment must personally certify under oath that all costs submitted meet the requirements of §607 and are reasonable and necessary.</p> <p>Would clarify that aliens taken into custody by a sheriff would be deemed to be federal prisoners and in federal custody upon determination by federal law</p>	No similar provisions.	

Current Law	House-passed H.R. 4437	Senate-passed S.2611	Commentary
	enforcement officials that such alien is unlawfully present in the U.S. (§607(e))		
No similar provisions.	Would require all aliens detained or taken into custody by a sheriff to be immediately delivered to federal law enforcement officials. (§607(f))	No similar provisions, but §229(a) would provide related requirements.	
No similar provisions.	No similar provisions.	Would provide competitive grants to “eligible” law enforcement agencies to address: (1) criminal activity that occurs near the border; or (2) the impact of any lack of security along the border. The Secretary of DHS is to award grants on a competitive basis, but is to give priority to eligible law enforcement agencies serving communities with populations of less than 50,000 and located within 100 miles of the northern or southern border. (§153(a))	This provision is similar to §607 in H.R. 4437, in that both measures would provide funding to areas along the border. Section 153 of S. 2611, however, makes funds available to communities outside of the border area. The funds under §153 may be applied to combating criminal activity whereas the funds under §607 of H.R. 4437 seem to be more tailored towards addressing immigration offenses.
No similar provisions.	No similar provisions.	Would clarify that grants are to only be used to provide additional resources to address criminal activity occurring along the border, including to: (1) obtain equipment; (2) hire additional personnel; (3) upgrade and maintain law enforcement technology; and (4) cover operational costs. (§153(b))	
No similar provisions.	No similar provisions.	Would require eligible law	

Current Law	House-passed H.R. 4437	Senate-passed S.2611	Commentary
		enforcement agencies to submit an application that: (1) describes the activities for which assistance is sought; and (2) provides assurances to ensure compliance with the requirements of the §153. (§153(c))	
No similar provisions.	No similar provisions.	Would define “eligible law enforcement agency” to mean a tribal, state, or local law enforcement agency: (1) located in a county no more than 100 miles from the northern or southern border; or (2) located in a county more than 100 miles from such border, but where such county has been certified as a “High Impact Area” by the Secretary of DHS. Would define “High Impact Area” as any county designated by the Secretary, taking into consideration: (1) whether local law enforcement agencies have the resources to protect the lives, property, and welfare of the residents of that county; (2) the relationship between any lack of security along the U.S. border and the rise, if any, of criminal activity in that county; and (3) any other unique challenges that local law enforcement face due to a lack of security along the border. (§153(d))	
No similar provisions.	No similar provisions.	Would authorize \$50 million for	

Current Law	House-passed H.R. 4437	Senate-passed S.2611	Commentary
		each of fiscal years 2007 through 2011. Two-thirds of the funds are to be set aside for use in the six states with the largest number of undocumented alien apprehensions and one-third for areas designated “High Impact Areas.” (§153(e))	
No similar provisions.	No similar provisions.	<p>Would create a grant program for Indian tribes with lands adjacent to the international border who have been adversely affected by unauthorized immigration. Funds could be used for law enforcement activities, health care services, environmental restoration, and preservation of cultural resources.</p> <p>No later than 180 days after enactment, the Secretary of DHS would be required to submit to the House and Senate Judiciary Committees a report that: (1) describes the level of access of Border Patrol agents on tribal lands; (2) describes the extent to which enforcement of immigration laws may be improved by enhanced access to tribal lands; (3) contains a strategy for implementing with cooperation from tribal authorities, access to tribal lands; and (4) identifies grants for border security provided by DHS for Indian tribes, either directly or indirectly through state or local</p>	

Current Law	House-passed H.R. 4437	Senate-passed S.2611	Commentary
		grants. Would authorize such sums as necessary for each year, FY2007 through FY2011. (§220)	
NCIC Reporting Requirements			
The AG shall: (1) acquire, collect, classify, and preserve identification, criminal identification, crime and other records; (2) acquire, collect, classify, and preserve any information which would assist in the identification of any deceased individual who has not been identified; (3) acquire, collect, classify, and preserve any information which would assist in the location of any missing person; and (4) exchange such records and information with, and for the official use of, authorized officials of the federal government, states, cities, and penal and other institutions. <i>This system is known as the National Crime Information Center.</i> (28 U.S.C. §534(a))	Would require that no later than 180 days after enactment, the <i>Under Secretary for Border and Transportation Security (BTS)</i> provide the NCIC with any information on all aliens who: (1) were issued final orders of removal; (2) have signed voluntary departure agreements; (3) overstayed their authorized period of stay; and (4) whose visas have been revoked. The information would be entered into NCIC's Immigration Violators File regardless of whether the alien received the notice of a final order of removal, had already been removed, or if sufficient identifying information are available. (§410(a))	Would require that no later than 180 days after enactment that the <i>Secretary of DHS</i> provide the NCIC with any information on all aliens who: (1) were issued final orders of removal; (2) have signed voluntary departure agreements and whose period for departure has expired or who has violated the conditions of the agreement; (3) whom federal immigration official have confirmed to be unlawfully present; and (4) whose visas have been revoked. (§231(a)(1))	The National Crime Information Center (NCIC) is a computerized database of documented criminal justice information available to virtually every law enforcement agency nationwide. With respect to immigration violators, the NCIC includes: (1) persons previously convicted of a felony and deported; (2) persons allegedly subject to a final orders of deportation, exclusion, or removal ("absconders") but who remain in the country; and (3) persons allegedly in violation of the National Security Entry-Exit Registration System (NSEERS). On Oct. 1 2005, Secretary of Homeland Security, Michael Chertoff, eliminated the Directorate of Border and Transportation Security redistributing its functions to other locations in DHS.
No similar provisions.	No similar provisions.	Would specify that the head of the NCIC should promptly remove any information related to an alien granted lawful authority to enter or remain in the United States. (§231(a)(2))	

Current Law	House-passed H.R. 4437	Senate-passed S.2611	Commentary
No similar provisions.	No similar provisions.	Would direct the Secretary of DHS in consultation with the head of the NCIC to develop and implement a procedure for aliens to petition to remove erroneous information from NCIC. Would prohibit the Secretary of DHS from providing information to NCIC until these procedures are implemented. (§231(a)(3))	
Institutional Removal Program			
The AG shall provide for special removal proceedings at certain federal, state, and local correctional facilities for aliens convicted of certain criminal offenses, to eliminate the need for additional detention, and assure expeditious removal following the end of the alien's criminal incarceration. <i>This program is commonly known as the Institutional Removal Program (IRP).</i> (INA §238)	Would direct DHS to continue to operate the IRP and extend it to all states. Would require that as a condition of any state receiving federal funds for the incarceration of criminal aliens, the state must cooperate with IRP officials, expeditiously identify criminal aliens in jails and prisons, and promptly convey the information to IRP officials. (§223(a))	Would direct the Secretary of DHS to continue to operate to IRP or develop and implement another program to identify criminal alien in federal and state correction facilities, insure that the aliens are not released into the community, and remove the aliens at the end of their criminal sentences. Would allow (but not mandate) the Secretary of DHS to expand the program to all states. (§210(a))	
To the extent permitted by state and local law, state and local law enforcement officials are authorized to arrest and detain unauthorized aliens who have previously been convicted of a felony, and deported or left the United States after such convictions, but only after confirmation from immigration authorities of the alien's status	Would authorize state and local law enforcement to hold an illegal alien for up to 14 days after the alien completes his state prison sentence to effectuate the transfer of the alien to federal custody for removal. Would also allow state and local law enforcement to issue detainers that would allow aliens who served prison sentences to be	Similar provisions. (§210(b))	

Current Law	House-passed H.R. 4437	Senate-passed S.2611	Commentary
and only for such period of time as is required for immigration authorities to take the alien into custody. (§439 of the Antiterrorism and Effective Death Penalty Act of 1996 (P.L. 104-132); 8 U.S.C. §1252(c))	detained until ICE personnel can take the aliens into custody. (§223(b))		
The AG shall provide for special removal proceedings at certain federal, state, and local correctional facilities for aliens convicted of certain criminal offenses, to eliminate the need for additional detention, and assure expeditious removal following the end of the alien's criminal incarceration. <i>This program is commonly known as the Institutional Removal Program (IRP).</i> (INA §238)	Would require, to the maximum extent possible, the use of technology (e.g., video conferencing) to make the IRP available in remote locations. Would also require, to the maximum extent possible, that mobile access to federal databases be available for state and local law enforcement in remote locations. (§223(c))	Similar provisions, but the technology could be used for either the IRP or another similar program that the Secretary of DHS implements. (§210(c))	
No similar provisions.	Would authorize appropriations for the IRP of: \$100 million in FY2007;\$115 million in FY2008; \$130 million in FY2009; \$145 million in FY2010; and \$160 million in FY2011. (§223(d))	Would authorize such sums as necessary for the IRP or another similar program that the Secretary of DHS implements for FY2007 through FY2011. (§210(e))	
No similar provisions.	No similar provisions.	Would require the Secretary of DHS no later than 6 months after enactment to submit a report to Congress on state's participation in the IRP or other similar programs. (§210(d))	
State Criminal Alien Assistance Program (SCAAP)			

Current Law	House-passed H.R. 4437	Senate-passed S.2611	Commentary
<p>If a chief executive officer of a state or local government exercising authority with respect to the incarceration of an undocumented criminal alien submits a written agreement to the AG, the AG shall compensate the average cost of incarceration of a prisoner in the relevant state as determined by the AG. <i>This program is commonly known as the State Criminal Alien Assistance Program (SCAAP).</i> (INA §241(i))</p> <p>Authorizes appropriations for SCAAP of \$750 million for FY2006; \$850 million for FY2007; and \$950 million annually for FY2008 through FY2011. (INA 241(i)(5), as amended by the Department of Justice Reauthorization Act of 2005, §1196 (P.L. 109-162))</p>	<p>Would amend current law by authorizing appropriations of \$1 billion for State Criminal Alien Assistance Program (SCAAP) for each subsequent fiscal year after FY2011. (§224)</p> <p>Would authorize for SCAAP such sums as necessary for FY2007; \$750 million for FY2008; \$850 million for FY2009; \$950 million annually for FY2010 through FY2012. (§218(b)(2))</p>		
<p>The State Criminal Alien Assistance Program (SCAAP) was created by §20301 of the Violent Crime Control and Law Enforcement Act of 1994 (INA §241(i)). SCAAP is designed to reimburse states and localities for correctional officers' salary costs incurred for incarcerating "undocumented criminal aliens."</p> <p>Prohibits federal, state, or local government entities or officials from restricting any government</p>	<p>Would make monies that are otherwise available under INA §241(i) (SCAAP) unavailable to states or political subdivisions that have in effect a statute, policy, or practice that prohibits law enforcement officers of the state or political subdivision from assisting or cooperating with federal immigration officials in the course of carrying out the officers' routine duties. This provision would become effective two years after the date of</p>	<p>No similar provisions, but §229(a) provides a related prohibition for monies provided under the section.</p>	<p>Sanctuary cities and policies may be in violation of 8 U.S.C. §1373 and §1644; however, (aside from litigation to stop such actions) there are no penalties enumerated for the sections. Section 225(a) of H.R. 4437 would appear to penalize those cities found to be in violation of requirements similar to those found in 8 U.S.C. §1373 and §1644.</p>

Current Law	House-passed H.R. 4437	Senate-passed S.2611	Commentary
<p>entity or official from sending to, or receiving from, the INS information regarding the citizenship or immigration status, lawful or unlawful, of any individual. Also prohibits a person from restricting, a federal, state, or local government entity from doing any of the following with respect to information regarding the immigration status, lawful or unlawful, of any individual: (1) sending such information to, or requesting or receiving such information from, the INS; (2) maintaining such information; and (3) exchanging such information with any other federal, state, or local government entity. Also requires the INS to respond to an inquiry by a federal, state, or local government agency, seeking to verify or ascertain the citizenship or immigration status of any individual. (8 U.S.C. §1373)</p> <p>Makes it a violation for a state or local government entity to be prohibited, or restricted, from sending to, or receiving from, the INS information regarding the immigration status, lawful or unlawful, of an alien in the United States. (8 U.S.C. §1644)</p>	<p>enactment. (§225(a))</p>		
<p>No similar provisions.</p>	<p>Would clarify that nothing in §225 would require state or local law enforcement officials to</p>	<p>No similar provisions.</p>	

Current Law	House-passed H.R. 4437	Senate-passed S.2611	Commentary
	report or arrest victims or witnesses of a criminal offense. (§225(b))		
No similar provisions.	Would reallocate funds that are not allocated to a state or political subdivision due to the failure of the state to comply with subsection 225(a) to states that comply with the subsection. (§225(c))	No similar provisions.	
Northern and Southern Border Prosecution Initiatives			
No similar provisions.	No similar provisions.	<p>Would direct the AG through the Office of Justice Programs, from the amounts made available, to establish a “Northern Border Prosecution Initiative” modeled after the Southwest Border Prosecutor Initiative (SBPI) to reimburse eligible northern border entities for cost of handling the dispositions of criminal cases that are federally initiated but federally declined-referred. Funds could be used for any lawful purpose including: prosecution costs, court costs, courtroom technology, construction of holding spaces, administrative staff, defense counsel, and detention costs.</p> <p>Would authorize \$28 million for FY2006 and such sums as necessary for following years. (§756(a)-(c),(e))</p>	<p>Note: P.L. 108-447 appropriated \$30,000,000 for the Southwest Border Prosecutor Initiative (SBPI) to reimburse State, county, parish, tribal, or municipal governments only for costs associated with the prosecution of criminal cases declined by local United States Attorneys offices</p>

Current Law	House-passed H.R. 4437	Senate-passed S.2611	Commentary
No similar provisions.	No similar provisions.	<p>Would define terms for the “Northern Border Prosecution Initiative” grant program. Under the grant program, the term “case disposition” would mean the time between the arrest of a suspect and the resolution of the criminal charges through a county or State judicial or prosecutorial process; and would not include incarceration time for sentenced offenders, or time spent by prosecutors on judicial appeals. Eligible northern border entity would be defined as the states of or any unit of local government in Alaska, Idaho, Maine, Michigan, Minnesota, Montana, New Hampshire, New York, North Dakota, Ohio, Pennsylvania, Vermont, Washington, and Wisconsin. A “federally declined-referred” would mean, with respect to a criminal case, that a decision has been made in that case by a U.S. Attorney or a federal law enforcement agency during a federal investigation to no longer pursue federal criminal charges against a defendant and to refer such investigation to a state or local jurisdiction for possible prosecution; and could include a decision made on an individualized case-by-case basis or decisions made pursuant to a</p>	



	passed H.R. 4437	Senate-passed S.2611	Commentary
		<p>general policy or practice or pursuant to prosecutorial discretion. Would also define “federally initiated” as, with respect to a criminal case, that the case results from a criminal investigation or an arrest involving federal law enforcement authorities for a potential violation of federal criminal law, including investigations resulting from multi-jurisdictional task forces. (§756(d))</p>	
No similar provisions.	No similar provisions.	<p>Would direct the AG, subject to the availability of appropriations, to reimburse Southwest border state and county prosecutors for prosecuting federally initiated and referred drug cases. Would authorize \$50 million annually for FY2007 through FY2012 for this purpose. (§757)</p>	<p>P.L. 108-447 appropriated \$30,000,000 for the SBPI to reimburse State, county, parish, tribal, or municipal governments for costs associated with the prosecution of criminal cases declined by local United States Attorneys offices.</p>

MemorandumAugust 11, 2005

SUBJECT: Cost Estimates of Unauthorized (Illegal) Immigration**FROM:** Alison Siskin
Analyst in Social Legislation
Domestic Social Policy Division

This memorandum provides information on the cost to the federal, state, and local governments of unauthorized aliens¹ living in the United States. This memorandum does not address the issue of the cost to the federal government for enforcing immigration laws (i.e., the cost of investigating, arresting, detaining and removing unauthorized migrants from the United States.) We have focused on studies completed after 1990. In addition, this is not an exhaustive review of the literature on the cost of unauthorized migration to the United States. Cost estimates mentioned in news reports which failed to specify the methodology used to calculate the estimates were not included in this analysis.

Difficulties Estimating the Cost of the Unauthorized Population

¹ An alien is “any person not a citizen or national of the United States” and is synonymous with noncitizen.

It is very difficult to enumerate a population which is trying to avoid detection by the government.² The main sources of socioeconomic information in the United States, the Current Population Survey (CPS), the Decennial Census of the Population (Census), and the American Community Survey, collected by the Census Bureau, ask citizenship status, but not immigration status.³ Thus, it is not possible to use these data sources in calculating the cost of unauthorized aliens.

Enumeration of the Unauthorized Population

A major issue with cost estimates of the unauthorized population is the lack of reliable data on the number and distribution of unauthorized aliens.⁴ As research is being done on the 2000 census of the U.S. population, preliminary data analyses offer competing population totals that, in turn, imply that illegal migration soared in the late 1990s and that estimates of unauthorized residents of the United States have been understated. The Department of Homeland Security estimates that there are about 7 million unauthorized aliens living in the United States.⁵ In testimony before the House Committee on the Judiciary, Subcommittee on Immigration and Claims, Jeffrey Passel, a demographic researcher at the Urban Institute, offered an estimate of 8 to 9 million unauthorized residents. At the same hearing, economists from Northeastern University using employment data reported by business establishments as well as 2000 census totals concluded that the unauthorized population may be 11 million.⁶ These discrepancies suggest that attempts to quantify the cost of the

² For example see U.S. General Accounting Office, *Illegal Aliens: National Net Cost Estimates Vary Widely*, GAO/HEHS-95-133, July, 1995; Georges Vernez, and Kevin F. McCarthy, *The Cost of Immigration to Taxpayers: Analytical and Policy Issues* (Santa Monica, CA: RAND, 1996); and Rebecca L. Clark, Jeffrey S. Passel, Wendy N. Zimmermann, and Michael E. Fix, *Fiscal Impacts of Undocumented Aliens: Selected Estimates for Seven States* (Washington D.C.: Urban Institute, Sept. 1994).

³ In other words, analysis from these surveys can be done on noncitizens; however it is unknown whether the noncitizens are legally or illegally present.

⁴ The discussion of different estimates of the unauthorized population is adapted from CRS Report RL30780, *Immigration Legalization and Status Adjustment Legislation*, by Ruth Ellen Wasem. See also CRS Report RS21938, *Unauthorized Aliens in the United States: Estimates since 1986*, by Ruth Ellen Wasem.

⁵ U.S. Immigration and Naturalization Service, *Estimates of Unauthorized Immigrant Population Residing in the United States: 1990-2000*, Jan. 2003. Available from [<http://www.immigration.gov/graphics/shared/aboutus/statistics/Illegals.htm>].

⁶ U.S. Congress, House Committee on the Judiciary, Subcommittee on Immigration and Claims, *Hearing on the U.S. Population and Immigration*, Aug. 2, 2001.

unauthorized population are hindered by the simple fact that there is not agreement on the number of unauthorized aliens residing in the United States.

Obstacles to Cost Estimations

There are two main reasons for the absence of reliable estimates on the overall cost of unauthorized aliens. First, the data needed to make these calculations are not collected, which often forces the authors to make assumptions, with little evidence, about who is an unauthorized alien, services used, and revenues collected. Second, studies tend to differ in the types of services and revenues used to calculate the total net cost/benefit of unauthorized aliens.

The data required to produce reliable estimates on the cost/benefits of unauthorized aliens would include:

- an accurate count of the number of unauthorized aliens complete with socioeconomic characteristics,
- reliable information on the actual use of all relevant services including the actual cost of providing the services, and
- reliable information on the actual revenue generated by the unauthorized aliens.

Since these data elements do not exist, many studies make assumptions about the number of unauthorized aliens, their service usage, and their revenue contributions. In other words, studies make assumptions about the same items which they are trying to estimate. Without additional data, the net cost of unauthorized aliens to the treasury is unknown.⁷

As a result, many studies which attempt to estimate the cost/benefits of unauthorized aliens in the United States focus on limited geographic regions (e.g., border communities, states, or cities), and limit the cost/benefit analysis to a discrete issue (e.g., medical care,

⁷ Georges Vernez, and Kevin F. McCarthy, *The Cost of Immigration to Taxpayers: Analytical and Policy Issues* (Santa Monica, CA: RAND, 1996), p. xii. (Hereafter cited as Vernez and McCarthy *The Cost of Immigration to Taxpayers*.)

taxes, criminal justice costs). Some of these studies survey immigrant communities and ask immigration status, while others ask for local agencies to estimate the cost of services provided to unauthorized aliens. Other studies use proxies, such as those who provided a false Social Security number or foreign-born workers who are low wage earners, to determine who is an unauthorized alien. Each of these methods has strengths and weaknesses, and none provides a reliable estimate upon which researchers agree.

GAO Study: Issues with Total Net Costs

The U.S. General Accounting Office (GAO), in its 1995 report *Illegal Aliens: National Net Cost Estimates Vary Widely*,⁸ was asked to examine existing estimates of net cost of unauthorized aliens. The GAO examined 13 studies issued between 1984 and 1994 which estimated the net cost of unauthorized migrants, but only three studies attempted to provide national estimates. The GAO examined the three national studies in detail and concluded that national studies of the net cost/benefits of unauthorized aliens in the U.S. vary considerably, and the actual fiscal impact of unauthorized aliens remains unknown. The studies examined in the GAO study were: (1) “The Costs of Immigration” (by Rice University Professor Donald Huddle);⁹ (2) “How Much Do Immigrants Really Cost? A Reappraisal of Huddle’s ‘The Cost of Immigrants’” (by the Urban Institute);¹⁰ and (3) “A Critique of the Urban Institute’s Claims of Cost Free Immigration: Huddle Findings Confirmed” (by Huddle).¹¹

The GAO found that approaches used to estimate costs in the three studies were “often based on assumptions whose reasonableness is unknown,” and contended that data limitations prevented them from being able to ascertain the validity of several of the positions taken by the researchers. The GAO noted that little data are available on unauthorized aliens’ use of public services and payment of taxes, and

⁸ U.S. General Accounting Office, *Illegal Aliens: National Net Cost Estimates Vary Widely*, GAO/HEHS-95-133, July 1995.

⁹ Donald Huddle, *The Cost of Immigration* (Washington, D.C.: Carrying Capacity Network, June 4, 1993).

¹⁰ Jeffrey Passel, *How Much Do Immigrants Really Cost? A Reappraisal of Huddle’s The Cost of Immigrants* (Washington, D.C.: Urban Institute, 1994).

¹¹ Donald Huddle, “A Critique of the Urban Institute’s Claims of Cost Free Immigration: Huddle Findings Confirmed,” *Population and Environment*, vol.16, no. 6 (July 1995).

the studies used indirect and varying approaches with the result that studies were difficult to compare. The GAO study also asserted that small changes in the assumptions for the estimates often resulted in large differentials in the net estimated costs.

The GAO also stated that unauthorized aliens generate revenues as well as costs, which offset some of the costs governments incur. The GAO noted that studies indicate that many unauthorized aliens “pay taxes, including federal and state income taxes; Social Security tax; and sales, gasoline, and property taxes,” but researchers disagree on the amount of revenues generated and the extent to which they offset government costs. The GAO noted that most studies conclude that unauthorized aliens generate more in costs than in revenues, although the magnitude of those costs is a subject of “continued debate.” The major conclusions of the three studies reviewed in the GAO report are summarized below.

The Costs of Immigration. Huddle in his study *The Costs of Immigration* estimated that the national net cost of unauthorized aliens to federal, state, and local governments was \$11.9 billion in 1992. Huddle’s study used per capita tax estimates for Los Angeles County from the Internal Services Department (ISD) study,¹² and extrapolated these estimates to arrive at a national estimate of taxes paid by immigrants. The number of unauthorized immigrants in the United States was based on the former Immigration and Naturalization Service (INS)¹³ estimates that 6 million aliens were illegally residing in the United States in 1987, and estimates of the Census Bureau and the Center for Immigration Studies. Huddle estimated that in 1992, 4.8 million unauthorized aliens resided in the United States.

How Much Do Immigrants Really Cost? A Reappraisal of Huddle’s ‘The Cost of Immigrants’. The Urban Institute reviewed Huddle’s work in this study, and concluded that Huddle’s approach was theoretically valid, but Huddle’s study systematically understated the tax collections and overstated the service costs for immigrants. The Urban Institute maintained that the ISD study

¹² Internal Services Division (ISD), *Impact of Undocumented Persons and Other Immigrants on Costs, Revenues and Services in Los Angeles County: A Report Prepared for the County Board of Supervisors*, (Los Angeles County, 1992).

¹³ The Homeland Security Act of 2000 (P.L. 107-296) transferred most functions of Department of Justice’s Immigration and Naturalization Service (INS) to the Department of Homeland Security (DHS). The transfer of these functions occurred on Mar. 1, 2003, at which time INS as an agency ceased to exist.

underestimated taxes paid by immigrants. The Urban Institute also questioned some of the underlying assumptions made in Huddle's estimation, contending that findings for Los Angeles were not representative of the country as a whole. The Urban Institute also asserted that Huddle overestimated the costs of services and job displacement of U.S. workers. The Urban Institute re-estimated the net cost for unauthorized immigrants using the "corrected" assumptions, and found a much lower net cost of unauthorized aliens for 1992 of \$1.9 billion.

A Critique of the Urban Institute's Claims of Cost Free Immigration: Huddle Findings Confirmed. After the Urban Institute reviewed Huddle's work, Huddle produced an updated estimate in his study *A Critique of the Urban Institute's Claims of Cost Free Immigration: Huddle Findings Confirmed* for 1993. Huddle found that the cost of unauthorized aliens was \$19.3 billion in 1993, an estimate which was \$7.4 billion higher than his initial estimate.

Overview of Selected Studies

Presented below is a list of selected studies examining the costs/benefits of unauthorized migration to federal, state and local governments. These studies were selected because they attempt to quantify the cost/benefits of unauthorized migration separate from the total cost of all migration, and because the studies were completed after 1990. Moreover, with one exception, all the chosen studies explain the methodology used to calculate the estimates. The one study which did not present methodology, *Health Care for Unauthorized Immigrants: Who Pays?*, was included because the estimate in the study is often quoted.

For reasons discussed above, none of the studies provide national estimates, and instead the studies focus on limited geographic regions (e.g., border communities, states, or cities), and limit the cost/benefit analysis to a discrete issue (e.g., medical care, taxes, criminal justice costs). Some of these studies survey immigrant communities and ask immigration status, while others ask for local agencies to estimate the cost of services provided to unauthorized aliens. Others use published data sources and modeling to estimate the cost/benefits of unauthorized aliens residing in the United States.

Impact of Illegal Immigration on Mississippi (2006). The Mississippi Office of the State Auditor estimated that unauthorized aliens may cost the state \$25 million per year.¹⁴ The study estimated the state's unauthorized population by using published data from the Pew Hispanic Center¹⁵ and the Current Population Survey (CPS), as well as unpublished data from the Department of Homeland Security's Immigration and Customs Enforcement (ICE). The number of unauthorized aliens enrolled in Mississippi's higher education system was estimated using data from CRS.¹⁶ The amount spent on uninsured healthcare services was estimated by using both a finding from the RAND Corporation that 68% of unauthorized alien adults lacked health insurance,¹⁷ and estimates of the total uninsured population (including citizens and noncitizens) from the Mississippi Hospital Association. Importantly, the report noted that "because no data regarding immigration status is collected, it is difficult to determine the accuracy of [the health] estimate..." Incarceration costs were reported by the Mississippi Department of Corrections for aliens who self-reported being illegally present. The report estimated that Mississippi's unauthorized alien population of 49,000 contribute \$44.2 million in taxes a year (\$40.8 million in sales taxes, and 3.4 million in income taxes) while costing the state:

- \$23.7 million a year for education;
- \$35 million a year for healthcare;
- \$237,360 a year for public safety; and
- \$10.3 million in remittance losses.

¹⁴ Mississippi Office of the State Auditor, *The Impact of Illegal Immigration on Mississippi: Costs and Population Trends*, (Jackson, MS: Office of the State Auditor, Feb. 21, 2006).

¹⁵ Jeffrey S. Passel, *Size and Characteristics of the Unauthorized Migrant Population in the U.S.*, (Washington, D.C.: Pew Hispanic Center, Mar. 2005). (Hereafter Passel, *Size and Characteristics of the Unauthorized Migrant Population in the U.S.*)

¹⁶ CRS Report RL31365, *Unauthorized Alien Students: Issues and Legislation*, by Andorra Bruno and Jeffrey J. Kuenzi.

¹⁷ Dana P. Goldman, James P. Smith and Neeraj Sood, "Legal Status and Health Insurance Among Immigrants." *Health Affairs*, vol 24, no. 6, 1640-1653 (Nov./Dec. 2005).

Impact of Illegal Immigration on Minnesota (2005). The Office of Strategic Planning and Results Management for the State of Minnesota reported that in FY2005, unauthorized aliens cost Minnesota between \$176 and \$188 million.¹⁸ The study used the estimates of the unauthorized population from Pew Hispanic Center researcher Jeffrey Passel.¹⁹ The study only estimated costs and did not attempt to consider the benefits of unauthorized aliens in areas such as labor or tax revenues. To estimate the education costs to the state, the study utilized data from the Urban Institute to estimate the number of unauthorized alien children ages 5 to 18 in the state,²⁰ and used the average daily operating expenditures per child for the school year. Estimates of the costs to Minnesota's health assistance programs was provided by the Minnesota Department of Health and Human Services. Estimates on incarceration costs were provided by the Minnesota Department of Corrections. Specifically the study reported that on unauthorized aliens, Minnesota spent (after federal reimbursement for some health costs):

- \$17 million, for public assistance health care programs;
- \$146 to \$158 million for K through 12 public education; and
- \$13 million for incarceration costs.

The High Cost of Cheap Labor: Illegal Immigration and the Federal Budget (2004). This study released by the Center for Immigration Studies²¹ uses the March Current Population Survey (CPS) and the decennial census, and relies on the methodology used

¹⁸ Minnesota Department of Administration, Office of Strategic Planning and Results Management, *The Impact of Illegal Immigration on Minnesota: Costs and Population Trends*, (St. Paul, MN: Minnesota Department of Administration, Dec. 8, 2005). Available at [http://www.state.mn.us/mn/externalDocs/Administration/Report_The_Impact_of_Illegal_Immigration_on_Minnesota_120805035315_Illegal%20Immigration%20Brief%2026.pdf]

¹⁹ Passel, *Size and Characteristics of the Unauthorized Migrant Population in the U.S.*. The authors of the report reportedly talked to Dr. Passel and were informed that Minnesota's unauthorized alien population was indeed 85,000.

²⁰ Michael E. Fix and Jeffery S. Passel, *U.S. Immigration: Trends and Implications for Schools*, (Washington, D.C.: Urban Institute, Jan. 2003).

²¹ Steven A. Camarota, *The High Cost of Cheap Labor: Illegal Immigration and the Federal Budget* (Washington, D.C.: Center for Immigration Studies, Aug. 2004).

in two respected studies of the fiscal effects of immigration: (1) *The New Americans* (1997) by the National Research Council (NRC);²² and (2) *Immigrants in New York: Their Legal Status, Incomes and Taxes* (1998) discussed below. Unauthorized aliens are estimated by using socioeconomic characteristics to assign a probability to each respondent that the respondent is an unauthorized alien. The study uses households as the unit of analysis arguing, as in the NRC study, that the household is the primary unit through which taxes are paid and services used. It is important to note that although the head of the household is an unauthorized alien, it is possible that others in the household are legally present, or United States citizens.

The study noted that cost of unauthorized alien households presents complex fiscal questions, and estimated that on average, each household headed by unauthorized aliens cost the federal treasury \$2,736 in FY2002. The study estimated that although unauthorized households paid more than \$4,200 in all forms of federal taxes²³ (e.g., payroll taxes, Medicare taxes, income taxes), they cost the federal government \$6,949.²⁴

Illegal Immigrants in U.S./Mexico Border Counties: Cost of Law Enforcement, Criminal Justice, and Emergency Medical Services (2001). The United States/Mexico Border Counties Coalition received a grant from the Department of Justice to measure the costs to the general funds of all 24 border counties for providing law enforcement, criminal justice, and emergency medical services to unauthorized aliens for FY1999. Four university researchers collected data by conducting site visits, interviewing governing board members, department heads, judicial officials, division heads, county managers, and information management specialists. The

²² National Research Council, *The New Americans: Economic, Demographic, and Fiscal Effects of Immigration* (Washington, D.C.: National Academy Press, 1997). This study is not included in this memorandum because it does not distinguish between aliens who are legally present and aliens who are unauthorized.

²³ The study estimated that more than half of unauthorized aliens pay payroll taxes and that households headed by unauthorized aliens paid \$1,371 in income taxes, \$1,687 in Social Security taxes, \$446 in Medicare taxes, \$83 in unemployment taxes, \$84 in corporate income taxes, and \$541 in excise and other taxes.

²⁴ The estimated costs per unauthorized household were: \$289 for Social Security and Medicare, \$40 for cash welfare programs, \$499 for food assistance programs, \$659 for Medicaid, \$182 for non-cash welfare programs, \$591 for treatment for the uninsured, \$442 for other tax credit and assistance programs, \$371 for education, \$760 for prisons/courts and immigration enforcement, \$3,115 for other federal costs (including infrastructure maintenance and criminal justice).

border patrol and state agencies were also consulted. Since many of the services are provided to noncitizens without ascertaining immigration status, the accuracy of the data is unknown. The study also used data from the decennial census, the CPS, INS border crossing data, Border Patrol apprehension data, newspaper accounts, public documents, congressional hearings, and previous research. The study found that Texas border communities spent \$23.3 million, New Mexico spent \$5 million, Arizona spent \$24.2 million, and California spent \$55.7 million providing law enforcement, criminal justice, and emergency medical services to unauthorized aliens.²⁵

Immigrants in New York: Their Legal Status, Incomes and Taxes (1998). In this study by the Urban Institute,²⁶ researchers used official estimates of the number of unauthorized aliens from the INS for New York. The principal data sources used by the researchers for the income and tax estimates were the March 1995 CPS as modified with the Urban Institute's TRIM2 computer simulation,²⁷ the 1996 New York City Housing and Vacancy Survey, and a variety of administrative data sources. The researchers estimated that, on average, an unauthorized alien paid \$2,400 in federal and state taxes in 1995.

Fiscal Impacts of Undocumented Aliens: Selected Estimates for Seven States (1994). The Urban Institute study Fiscal Impacts of Undocumented Aliens: Selected Estimates for Seven States²⁸ examined specified costs (including incarceration, educational and Medicaid costs) versus tax revenues of unauthorized aliens in the seven states with the highest estimated unauthorized populations: California, Florida, Texas, New York, Illinois, Arizona, and New Jersey. The study examined only the costs of incarceration, elementary and secondary education, and emergency medical services for unauthorized aliens compared to revenues generated by state sales, property

²⁵ United States/Mexico Border Counties Coalition, *Illegal Immigrants in U.S./Mexico Border Counties: Cost of Law Enforcement, Criminal Justice, and Emergency Medical Services* (Washington, D.C.: United States/Mexico Border Counties Coalition, Feb. 2001).

²⁶ Jeffrey S. Passel, and Rebecca L. Clark, *Immigrants in New York: Their Legal Status, Incomes and Taxes*, (Washington D.C.: Urban Institute, Apr. 1998).

²⁷ TRIM2 (TRansfer Income Model Version 2) is a microsimulation program developed by the Urban Institute in which essentially the program fills out federal and state tax forms for a CPS household using the information collected in the CPS; the program estimates dependents, exemptions, and various deductions. TRIM2 also estimates the amount of Social Security tax (also referred to as the Federal Insurance Contribution Act tax or FICA) and unemployment insurance paid by household members and on their behalf by employers.

²⁸ Rebecca L. Clark, and Jeffrey S. Passel, *Fiscal Impacts of Undocumented Aliens: Selected Estimates for Seven States* (Washington D.C.: Urban Institute, Apr. 1, 1998).

and income taxes paid by unauthorized aliens. The researchers cautioned that their estimates could not be used to calculate the net costs of unauthorized aliens.

Incarceration Costs. The estimates for incarceration costs of unauthorized aliens were based on data supplied by the states on all foreign-born prisoners incarcerated in state prisons as of mid-March 1994. The immigration status of the prisoners was determined by either matching the names to INS records or by interviews with the prisoners. The total costs were calculated by multiplying the estimated number of incarcerated unauthorized aliens by state-specific estimates of the annual prisoner costs provided by the Census of State Prisons. The study estimated that 21,395 unauthorized aliens were incarcerated in the seven states as of mid-March 1994, and estimated a total cost of \$471 million for all of 1994. The study found that California had 71% percent of all incarcerated unauthorized aliens in the United States at a cost of \$368 million to the state. New York spent the second highest amount with an estimated \$45 million.

Education Costs. Using data from the Census Bureau, the INS, and the National Center for Education Statistics, the researchers estimated that 641,000 unauthorized alien children were enrolled in public primary and secondary schools in the seven states, at a total state and local cost of \$3.1 billion. The researchers estimated that California spent \$1.3 billion providing education for unauthorized alien children in 1993-1994.

Medicaid Costs. The researchers concluded that there were problems with state-level data (e.g., the data included people who were not unauthorized aliens) but that other data were not available which would provide reliable estimates of the Medicaid expenditures for unauthorized aliens. The study noted that the seven states reported spending an estimated \$422 million on Medicaid costs for unauthorized aliens in 1993.

Tax Revenues. Although there are no direct measures of tax payments by unauthorized aliens, using “standard demographic” methods together with data from the Census, the INS, the states, and other studies, the researchers estimated that \$1.9 billion was collected from unauthorized aliens in the seven states for state and local sales, property, and income taxes. Of that total, \$1.1 billion was collected in sales taxes; \$700 million in property taxes; and \$100 million in state income taxes. The study notes that these three types of taxes do

not reflect the total revenue generated by unauthorized aliens. The study also found that the estimated share of tax revenues paid by unauthorized aliens is “far less” than their share of the population in each state. For example, the study noted that unauthorized aliens in California paid an estimated 1.7% (\$732 million) of all the taxes collected during the period studied, but represented 4.6% of the state’s population.

The report did not take into account unauthorized aliens’ impact on states’ economies as workers, business owners or consumers. The researchers cautioned that because other expenditures and revenue sources were not analyzed, the estimates could not be used to calculate the net costs of unauthorized aliens.²⁹

The Unfair Burden: Immigration’s Impact on Florida (1994). The Executive Office of the Governor and the Florida Advisory Council on Intergovernmental Relations produced a report in March 1994 entitled *The Unfair Burden: Immigration’s Impact on Florida*. The study estimated that the cost of unauthorized aliens to the state of Florida was \$262 million while the amount expended at the local level was \$622 million. The report states:

It is important to acknowledge the limitations of providing precise numbers in aggregating information for this report. There are few requirements of government agencies and school districts to determine the immigration status of the clientele they serve.

The costs were calculated by multiplying the estimated costs by the estimated percentage of noncitizens who are unauthorized aliens. The underlying assumption of this study that unauthorized aliens use services (such as education, corrections, judicial, law enforcement) in the same manner as noncitizens who are legally present is questionable as there are no data to support the assumption.

Uncompensated Health Care Costs Estimates

²⁹ Rebecca L. Clark, Jeffrey S. Passel, Wendy N. Zimmermann and Michael E. Fix, *Fiscal Impacts of Undocumented Aliens: Selected Estimates for Seven States*, (Washington D.C.: Urban Institute, Sept. 1994).

Health Care for Unauthorized Immigrants: Who Pays? (2001). The House Research Organization for the Texas House of Representatives noted that the Harris County Hospital District estimated that between 1999 and 2001 it spent \$330 million on health care for unauthorized aliens, of which \$105 million was reimbursed by the federal government.³⁰ The study failed to provide methodology for the estimate, and as a result, it is impossible to assess the validity of the estimate.

Medical Emergency: Costs of Uncompensated Care in Southwest Border Counties (2002). In 2002, the United States/Mexico Border Counties Coalition released a study entitled *Medical Emergency: Costs of Uncompensated Care in Southwest Border Counties*.³¹ The survey conducted statistical modeling by identifying sets of non-border communities that “capture essential characteristics of each border community with respect to the demand for emergency medical services.” The researchers note the complexity of matching border communities with other communities, as the counties on the U.S./Mexico border are unique on many important dimensions, and this complexity may have impacted the results. The researchers then performed a linear regression, and assumed the differences between the border communities and the similar non-border communities could be attributed to unauthorized aliens. The study concluded that in 2000, \$189.6 million was spent by hospitals in the Southwest border communities to provide uncompensated care to unauthorized aliens.

Increased Spending in the Local Communities

Chicago’s Undocumented Immigrants: An Analysis of Wages, Working Conditions, and Economic Contributions (2002). A study released by the Center for Economic Development at the University of Illinois at Chicago surveyed 1,653 legal and unauthorized aliens living in the Chicago metro area. The sample was not random, as the survey was implemented through community

³⁰ Texas State Legislature, House Research Organization, *Health Care for Unauthorized Immigrants: Who Pays?*, Report Number 77-13, Oct. 29, 2001.

³¹ United States/Mexico Border Counties Coalition, *Medical Emergency: Costs of Uncompensated Care in Southwest Border Counties* (Washington, D.C.: United States/Mexico Border Counties Coalition, Sept. 2002).

based organizations as a mechanism to over-sample the unauthorized population.³² Thus, although the results are most likely not representative of other geographic areas, the model the researchers used to estimate the amount that unauthorized aliens in the Chicago spend per year is comprehensive. The estimate was based on the 2001 CPS, the INS estimates of the unauthorized alien population living in Illinois in 2001, and statistics from the survey. The study found that unauthorized aliens in the Chicago area spend approximately \$2.89 billion annually which generates an additional \$2.56 billion in local spending.³³ In addition, it can be argued that increased spending leads to increased revenues from sales taxes for local and state governments.

³² Often researchers will make the decision not to do a random survey to assure that an often under-represented population, such as unauthorized aliens, is large enough in the sample to be statistically significant.

³³ Chirag Mehta, Nik Theodore, Iliana Mora, and Jennifer Wade, *Chicago's Undocumented Immigrants: An Analysis of Wages, Working Conditions, and Economic Contributions* (Chicago: University of Chicago Center for Urban Economic Development, Feb. 2002).

Appendix A: Summary of Studies

Table 1 summarizes the findings of the studies discussed in this memorandum.

Table 1. The Studies and Findings Presented in the Memorandum

Study name and year	Study author	Universe	Findings
<i>The Costs of Immigration</i> (1993)	Donald Huddle	All unauthorized aliens	Net cost of unauthorized aliens to federal, state, and local governments was \$11.9 billion in 1992.
<i>How Much Do Immigrants Really Cost? A Reappraisal of Huddle's The Cost of Immigrants</i> (1994)	Jeffrey Passel	All unauthorized aliens	Net cost of unauthorized aliens to federal, state, and local governments was \$1.9 billion in 1992.
<i>A Critique of the Urban Institute's Claims of Cost Free Immigration: Huddle Findings Confirmed</i> (1995)	Donald Huddle	All unauthorized aliens	Net cost of unauthorized aliens to federal, state, and local governments was \$19.3 billion in 1993.
<i>Impact of Illegal Immigration on Mississippi</i> (2006)	Mississippi Office of the State Auditor	Unauthorized aliens in Mississippi	Mississippi estimates that it spends \$25 million a year on unauthorized aliens.
<i>Impact of Illegal Immigration on Minnesota</i> (2005)	Minnesota Department of Administration, Office of Strategic Planning and Results	Unauthorized aliens in Minnesota	In FY2005, unauthorized aliens cost Minnesota between \$176 and \$188 million.

Study name and year	Study author	Universe	Findings
	Management		
<i>The High Cost of Cheap Labor: Illegal Immigration and the Federal Budget</i> (2004)	Steven A. Camarota	Households headed by unauthorized aliens	Each unauthorized alien household cost the federal treasury \$2,736 in FY2002.
<i>Illegal Immigrants in U.S./Mexico Border Counties: Cost of Law Enforcement, Criminal Justice, and Emergency Medical Services</i> (2001)	The United States/Mexico Border Counties Coalition	Border communities in Texas, New Mexico, Arizona, California	Texas border communities spent \$23.3 million, New Mexico spent \$5 million, Arizona spent \$24.2 million, and California spent \$55.7 million providing law enforcement, criminal justice, and emergency medical services to unauthorized aliens.
<i>Immigrants in New York: Their Legal Status, Incomes and Taxes</i> (1998)	Jeffrey S. Passel and Rebecca L. Clark	Immigrants in New York	Unauthorized aliens in New York paid \$2,400 each in federal and states taxes in 1995
<i>Fiscal Impacts of Undocumented Aliens: Selected Estimates for Seven States</i> (1994)	Rebecca L. Clark, and Jeffrey S. Passel	Unauthorized aliens in California, Florida, Texas, New York, Illinois, Arizona, and New Jersey	For unauthorized aliens, the seven states spent \$471 million on incarceration costs (1994), \$3.1 billion for education (1993-1994), \$422 million for Medicaid (1993), and collected \$1.9 billion in taxes (1994).

Study name and year	Study author	Universe	Findings
<i>The Unfair Burden: Immigration's Impact on Florida</i> (1994)	The Executive Office of the Governor and the Florida Advisory Council on Intergovernmental Relations	Unauthorized aliens in Florida	Unauthorized aliens in Florida cost the state government \$262 million and the local government \$622 million.
<i>Health Care for Unauthorized Immigrants: Who Pays?</i> (2001)	The House Research Organization for the Texas House of Representatives	Unauthorized aliens treated at Harris County Hospital District	Between 1999 and 2001, Harris County Hospital District spent \$330 million on health care for unauthorized aliens, of which \$105 million was reimbursed by the federal government.
<i>Medical Emergency: Costs of Uncompensated Care in Southwest Border Counties</i> (2002)	United States/Mexico Border Counties Coalition	Border communities in Texas, New Mexico, Arizona, California	In 2000, hospitals in the Southwest border communities spent \$189.6 million on uncompensated care for unauthorized aliens.
<i>Chicago's Undocumented Immigrants: An Analysis of Wages, Working Conditions, and Economic Contributions</i> (2002)	Chirag Mehta <i>et. al.</i>	Aliens in the Chicago metro area	Unauthorized aliens in the Chicago spend approximately \$2.89 billion annually which generates an additional \$2.56 billion in local spending.